

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

MARSH USA, INC., a Delaware  
corporation; and MARSH &  
MCLENNAN COMPANIES, INC., a  
Delaware corporation,

Plaintiffs,

vs.

CHAD W. KARASAKI,

Defendant.

CIVIL NO. **08 Civ. 4195 (JGK)**

DECLARATION OF KATHY DANG

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I, KATHY DANG, declare:

1. I am a Senior Vice President and a Co-Office Head with Marsh USA Inc. ("Marsh") in Honolulu, HI.

2. I joined Johnson & Higgins ("J&H") on July 18, 1988. J&H merged with Marsh's corporate parent in 1997.

3. Before becoming a Co-Office Head I worked as a Client Executive and Department Manager.

4. I became a Co-Office Head after the resignation of Chad Karasaki ("Karasaki"), who held the position of Office Head from April 2005 until his resignation on March 6, 2008, which became effective on March 11, 2008.

5. Karasaki resigned from Marsh to become the Chairman and CEO of the Hawaii operations of Aon, Marsh's direct competitor.

6. On March 6, 2008, at 11:26 a.m., Phil Luecht ("Luecht") left a voice mail message for me advising that Peter Arkley ("Arkley") was in town and wanted to speak with me, and asking that I call him back.

7. Luecht was a former high ranking executive (Managing Director and West Zone Leader) of Marsh with supervisory responsibilities over a number of Marsh's offices in the Western states including Hawaii. He left Marsh in 2007 and joined Aon.

8. Arkley is the head of Aon's Construction Practice.

9. I called Luecht back on March 6, 2008 but he did not answer so I left a voice mail for him to call me back.

10. On Saturday, March 8, 2008, Luecht called me at 2:27 p.m. He told me he was going to be in Hawaii on Monday and wanted to set up a meeting with me any time on Monday or early Tuesday. I agreed to meet him at 4 p.m. on Monday, March 10, 2008.

11. On Monday, March 10, 2008, I met with Luecht at 4:15 p.m. outside of Spada restaurant. He told me about Aon's plans of expansion in the West. He also described Aon's structure and philosophy. Luecht said Aon wanted to build its operations in Hawaii and was looking for a surety person.

12. I told Luecht that I was honored they thought so highly of me, but that I liked the people and clients that I worked with and was not interested in pursuing an offer from Aon at this time.

13. On March 28, 2008, Marcus Kim ("Kim"), a Client Executive at Marsh, resigned and announced that he had accepted employment at Aon.

14. While at Marsh, Kim was the Client Executive on various accounts, including The Queen's Health Systems ("QHS"). The principal client contact with whom Kim dealt with was QHS Risk Manager, David Kahaulelio ("Kahaulelio").

15. On April 1, 2008, at 3:30 p.m., Luecht called me again, ostensibly expressing his concern about the Aloha Airlines bankruptcy, and said that he would like to work with me again. I politely dismissed the offer.

16. On April 10, 2008, Kahaulelio called me and advised that he received a box from Aon, which was a mini suitcase with a pass on a lanyard which was an invitation to the Aon event at the RIMS. On April 11, 2008, Kahaulelio said that this was the first time ever that Aon had sent him an invitation to their hospitality event.

17. RIMS is the annual Risk and Insurance Management Society conference which this year took place in San Diego, CA, from Sunday through Thursday, April 27 - May 1, 2008. Various vendors of insurance-related products and services, including Aon, organize their hospitality events around the RIMS events to market their products and services to RIMS members.

18. Kahaulelio said that he was going to meet with Kim and Karasaki on Tuesday, April 29, 2008, and the location would be in Old Town. To the best of my knowledge, Kahaulelio has been QHS' Risk Manager for at least 10 years.

19. Kahaulelio said that he asked Kim if he (Kim) would be in trouble if he was to meet with him at RIMS in light of Kim's recent employment with Marsh, and Kim responded that he was not a "company man". Kahaulelio's impression was that Kim was not concerned.

20. On Tuesday, April 29, 2008, I was in San Diego attending the RIMS conference. At 3:06 p.m., Kahaulelio sent me a text message telling me the name of the place where he was with Kim and Karasaki and invited me to come by.

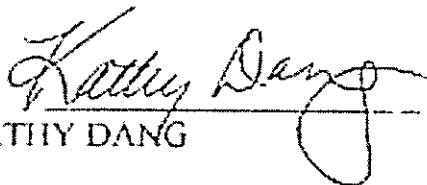
21. As directed in Kahaulelio's text message, I went to Churchill's Wine and Cigar Bar ("Churchill's") in the Old Town of San Diego in the company of Sean Scott of Bank of Hawaii, another Marsh client.

22. At Churchill's I found Kahaulelio in the company of Kim and Karasaki. They were drinking beer and Kahaulelio was smoking a cigar. They invited Sean and me to join them at their table. Later Karasaki ordered a bottle of wine for himself and Kahaulelio.

23. I took two photographs of Kahaulelio in the company of Kim and Karasaki. Copies of these photographs are attached as Exhibits A and B.

This declaration is made pursuant to 28 U.S.C. § 1746(2). I declare under penalty of perjury that the foregoing is true and correct.

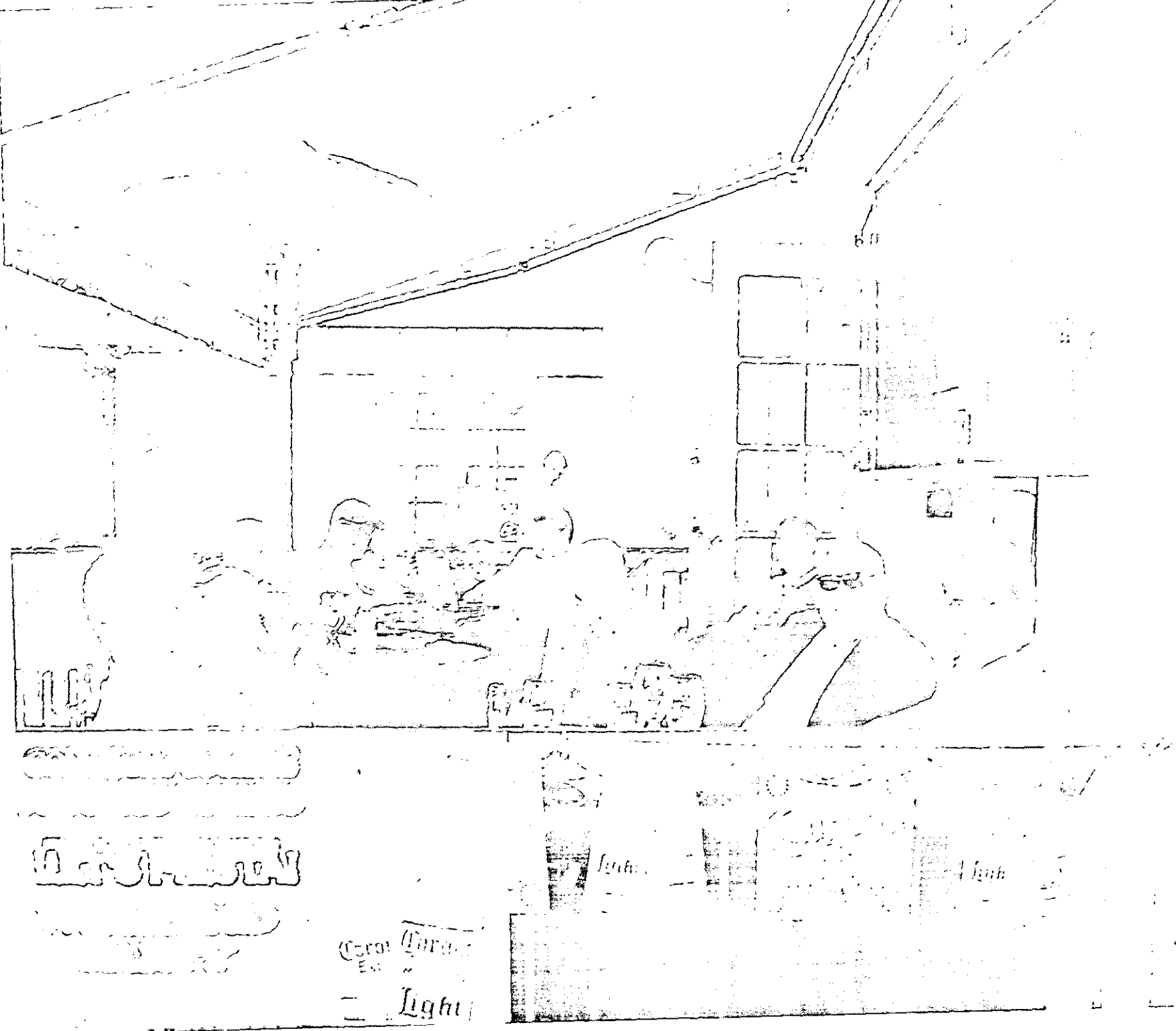
Executed on Wednesday, April 30, 2008 at Honolulu, Hawaii.

  
KATHY DANG

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MARSH USA INC. ET AL. v. CHAD W. KARASAKI (SDNY):  
DECLARATION OF KATHY DANG

**EXHIBIT A**



**EXHIBIT B**



